

DMP:MWK/SMG  
F. #2018R00509

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF NEW YORK

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UNITED STATES OF AMERICA

- against -

KAE WOOK LEE,

Defendant.

----- X

THE UNITED STATES ATTORNEY CHARGES:

At all times relevant to this Information, unless otherwise indicated:

INTRODUCTION

1. The defendant KAE WOOK LEE, who resided in Flushing, New York, was the sole owner and chief executive officer ("CEO") of Mona Lisa 7 Corporation ("MONA"), a New York corporation with its principal place of business in Flushing, New York. MONA was a karaoke bar that rented private karaoke rooms to patrons.

2. Pursuant to Title 26 of the United States Code, employers, including MONA, had a duty to withhold from employees' gross pay Federal Insurance Contribution Act ("FICA") taxes, which represent Social Security and Medicare taxes, and federal income taxes, and to truthfully account for and pay over the withheld amounts to the United States.

3. Pursuant to Title 26 of the United States Code, employers, including MONA, also had a duty to report the number of employees who received wages, the amount of wages paid, and the amount of wages withheld for FICA and income taxes on an

INFORMATION

Cr. No. 18-CR-206 (ILG)  
(T. 26, U.S.C., § 7202; T. 18, U.S.C.,  
§§ 3551 et seq.)

Employer's Quarterly Federal Tax Return, Form 941 ("Form 941"). The Form 941 was required to be filed quarterly with the Internal Revenue Service, one month after the conclusion of each quarter.

4. As the sole owner and CEO of MONA, the defendant KAE WOOK LEE was responsible for filing tax returns on behalf of MONA and for collecting, truthfully accounting for, and paying over MONA's FICA and income taxes.

5. Between 2011 and 2013, the defendant KAE WOOK LEE diverted some of MONA's business receipts to bank accounts held in the name of shell corporations he created. LEE then withdrew cash from those accounts to pay employees' wages in cash without collecting, truthfully accounting for and paying over MONA's FICA and federal income taxes. LEE also concealed the cash payroll from the accountant he selected to prepare MONA's Forms 941. As a result, between 2011 and 2013, LEE willfully signed and filed false Forms 941.

#### WILLFUL FAILURE TO COLLECT AND PAY OVER TAXES

6. The allegations contained in paragraphs one through five are realleged and incorporated as if set forth fully in this paragraph.

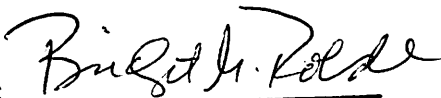
7. On or about and between October 1, 2013 and December 31, 2013, both dates being approximate and inclusive, within the Eastern District of New York, the defendant KAE WOOK LEE, being the sole owner and CEO of MONA, did knowingly and willfully fail to collect, truthfully account for and pay over to the Internal Revenue Service all of the federal income taxes withheld and FICA taxes due and owing to the United States

on behalf of MONA for the fourth quarter of 2013, knowing that such taxes were due and owing.

(Title 26, United States Code, Section 7202; Title 18, United States Code, Sections 3551 et seq.)

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RICHARD P. DONOGHUE  
UNITED STATES ATTORNEY  
EASTERN DISTRICT OF NEW YORK

BY:   
ACTING UNITED STATES ATTORNEY  
PURSUANT TO 28 C.F.R. O.136

F. # 2018R00509  
FORM DBD-34  
JUN. 85

No.

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**UNITED STATES DISTRICT COURT**

EASTERN District of NEW YORK

CRIMINAL DIVISION

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THE UNITED STATES OF AMERICA

vs.

*KAE WOOK LEE,*

Defendant.

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**INFORMATION**

(T. 26, U.S.C., § 7202; T. 18, U.S.C., §§ 3551 et seq.)

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*A true bill.*

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*Foreperson*

Filed in open court this \_\_\_\_\_ day,  
of \_\_\_\_\_ A.D. 20 \_\_\_\_\_

-----  
*Clerk*

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Bail, \$ \_\_\_\_\_  
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*Sean M. Green, Trial Attorney, Department of Justice, Tax Division*  
*(202) 307-2554*